

VZCZCXRO3513  
RR RUEHDBU  
DE RUEHYE #0190/01 0780759  
ZNY CCCCC ZZH  
R 190759Z MAR 09  
FM AMEMBASSY YEREVAN  
TO RUEHC/SECSTATE WASHDC 8829  
INFO RUCNCIS/CIS COLLECTIVE  
RUEHLMC/MILLENNIUM CHALLENGE CORPORATION WASHINGTON DC  
RUEHNO/USMISSION USNATO 0681

C O N F I D E N T I A L SECTION 01 OF 02 YEREVAN 000190

SIPDIS

E.O. 12958: DECL: 03/18/2019  
TAGS: [PGOV](#) [PREL](#) [KDEM](#) [AM](#)  
SUBJECT: EX-PRESIDENT LEVON TER-PETROSSIAN RUNS FOR YEREVAN  
MAYOR

YEREVAN 00000190 001.2 OF 002

Classified By: Amb. Marie L. Yovanovitch, for reasons 1.4 (b, d)

11. (C) SUMMARY: The opposition Armenian National Congress (ANC) made a surprise announcement March 15 that its top leader, former President Levon Ter-Petrossian (LTP), would run for Yerevan mayor in the May 31 election. Both ANC and the parliamentary opposition Heritage Party have made public comments about cooperating in an electoral bloc, but their negotiations were at an impasse as of March 18. LTP's personal entry into the race considerably raises the stakes of the May 31 Yerevan city election -- a constituency that comprises nearly half of all Armenians. Many are already calling the municipal election a de facto re-match of last year's presidential election. The race will be by far the biggest electoral test of Armenia's democratic commitment -- and of the opposition's remaining public support -- until the next parliamentary election in 2012. END SUMMARY

12. (C) EX-PRESIDENT ENTERS RACE: On March 15 the political board of the Armenian National Congress (ANC) announced its decision to participate in the Yerevan Council Election of May 31 with LTP at the top of its party list. The ANC also announced that Stepan Demirchian (leader of the People's Party of Armenia, which is a constituent part of the ANC coalition) will have the second place on the ANC party list. ANC declared its intention to launch negotiations with the Heritage Party for joint participation in the upcoming election. (NOTE: The Yerevan election will use a party list/proportional representation system. The individual who heads the party list for the winning party or bloc will become Yerevan mayor automatically, so long as that party has won at least a 40 percent plurality. In the event of a smaller plurality, or if two parties surpass the 40 percent threshold, the newly-elected 65-member city council will elect the next mayor from among its ranks. Details of this complicated indirect election system will be reported septel. END NOTE)

13. (C) SQUABBLING PRIMA DONNAS: Poloffs have spoken privately with ANC and Heritage Party insiders several times since March 15. Both sides insist they badly want to form a unified opposition coalition, but each side blames the other for being unreasonable in negotiations. Heritage was aggrieved that ANC publicly announced that Stepan Demirchian would have the number two spot on its list before opening negotiations with Heritage, which presumes that its leader, Raffi Hovhannissian, should have the number two spot. Heritage parliamentary faction leader Armen Martirosian told us that Heritage was affronted to be offered only eight seats on the party list of the proposed bloc.

14. (C) NEGOTIATIONS MARKED BY PERSONAL PIQUE: Armenian National Movement (ANM) acting chairman Khachik Kokobelian told us March 17 that the ANC had proposed allocating eight seats each to the three political parties which are its main

pillars (the ANM, the People's Party of Armenia, and the Republic Party), and then eight seats to Heritage, accounting collectively for up to 32 seats out of the 65 seats open for election. Kokobelian said that ANM found it so important to unite with Heritage that his party had offered to give Heritage seats from ANM's quota to sweeten the offer. Armen Martirosian seemed unaware of this proposal. Kokobelian said that LTP had invited Raffi Hovhannissian to a meeting to negotiate, but the Heritage leader had refused, sending one of his deputies instead, which LTP found infuriating. Heritage also sent a counterproposal to LTP that Heritage's Armen Martirosian should have the number one spot on the list (in other words, be the mayoral candidate), LTP should have the number two spot, and Raffi Hovhannissian the number three spot -- a proposal which was deemed insulting by ANC. Heritage argued to us privately that the idea of this was to have the joint list headed by a young, untainted figure, unburdened by past political baggage. (COMMENT: It is not credible that Heritage believed that the first president of Armenia would take second billing to the 35-year-old Martirosian. This was a return insult, for the slights of ANC's high-handed approach to Heritage, by first negotiating through the media and under-valuing Heritage's value to a combined coalition. END COMMENT)

15. (C) STILL DICKERING?: Kokobelian told us he thought it remains possible for the ANC to achieve a deal with Heritage before the March 22 deadline for filing with the Central Election Commission to run as a unified bloc. Kokobelian thought Demirchian could be persuaded -- through flattery -- to step aside from the number two spot for the good of the broader movement, and he said that ANC had signaled room for flexibility on this point to Heritage.

16. (C) GOVERNING COALITION DIVIDED: The governing coalition

YEREVAN 00000190 002.2 OF 002

is likewise divided for the Yerevan election. Newly-appointed incumbent mayor Gagik "Black Gago" Beglarian is the Republican Party candidate. Prosperous Armenia has announced it will field its own list headed by current Health Minister Harutiun Kushkian. The Armenian Revolutionary Federation (aka Dashnaksutyun) has not finally announced who will head its list, and reportedly has made its own overtures to Heritage, in the event Heritage does not combine with ANC. Orinats Yerkir faction leader Hegine Bisharian told the Ambassador March 16 that she expects to head the Orinats Yerkir party list.

17. (C) COMMENT: It is a telling indicator of the prestige and perceived importance of the Yerevan mayorship that ministers of government and top-ranking members of parliament are eager to run for the job, seeing it as a step up from their current posts. In the fall, former President Kocharian had told Ambassador that the mayor could serve as a counter-balance to the presidency; clearly others see the job in that same light. As the two most prominent -- really the only serious -- opposition forces, ANC and Heritage must realize they need each other. Their dysfunctional non-negotiations, through press and junior intermediaries, is a bit puzzling. There is history of bad blood between LTP and Raffi Hovhannissian; the latter served as LTP's first post-independence foreign minister, but had a falling out and left the cabinet on bad terms. Moreover, LTP up to the end of his presidency continued to deny the U.S.-born Hovhannissian Armenian citizenship. Personal history aside, there are political reasons not to see eye to eye. The ANC may fear that the young, up-and-coming Heritage Party has more "upside potential" and if given too much opportunity could overshadow the gray warhorses of the ANC, who have experience but few truly popular figures. Hovhannissian, for his part, is risk-averse and may hesitate to link his political brand to the ANC's band of re-treads. Armenia's tradition of bitter intramural rivalries and large egos among opposition forces continues.

YOVANOVITCH